

App Annie

State of Video Streaming Apps in Asia

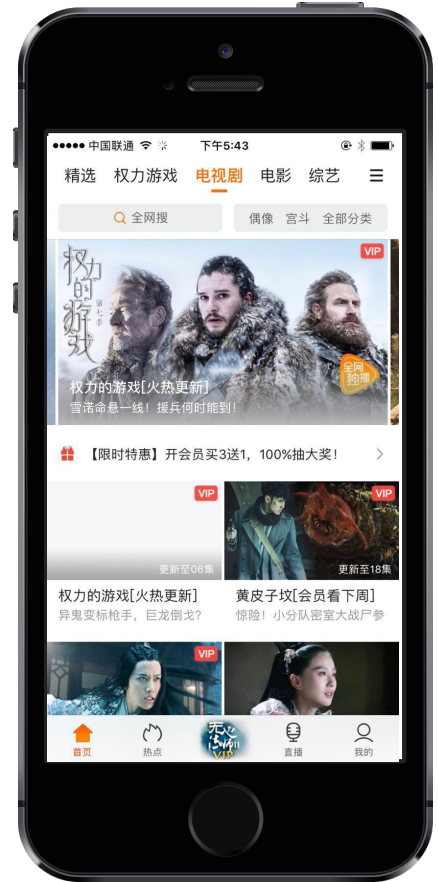


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Executive Summary

- Video streaming on mobile continues to see incredible growth. Between H1 2015 and H1 2017, worldwide time spent in the Video Players & Editors and Entertainment categories on Android phones grew over 150% to reach close to 80 billion hours. Video consumption by users in Asia-Pacific (APAC) markets tripled during this period, accounting for almost half of all worldwide video consumption on mobile apps in H1 2017.
- Revenue from in-app purchases of video streaming* apps in APAC has also seen stellar growth. This is most visible in China, where total revenue from the top 5 video streaming apps in H1 2017 was 7x higher than in Japan. Overall, revenue from the top 5 video streaming apps has more than doubled year-over-year in all of the countries observed in APAC for the purposes of this report.
- India, South Korea and Thailand have all seen a dramatic increase in data usage consumed via the top video streaming apps over the past year. In countries that saw a higher share of video data usage on Wi-Fi such as Japan, average session length tends to be longer. In India, where video apps are more typically consumed via mobile data, average session duration is not far behind those in more developed markets.
- Overall engagement is higher on video apps from online-first companies. TV-first companies need to catch up or risk losing out. Implementing best practices for video streaming apps, including effective user acquisition and engagement strategies, can lead to higher viewership, increased loyalty and better engagement.



The Company and Technology Behind the Report

App Annie helps companies build better app businesses and is used by 94 of the top 100 publishers across the globe. From competitive benchmarking to international expansion, we deliver the data and insights needed to succeed in the app economy.

The information contained in this report is compiled from [App Annie Intelligence](#), the leading market data solution for the app economy. To see how our app store data for download, revenue, demographic and usage estimates can help guide your critical business decisions, [request a demo today](#).

The App Lifecycle: Leveraging Your Investment to Maximize the ROI From Your App



App Annie Is the Most Trusted Partner in the App Economy

Google LINE dentsu Baidu 百度 Tencent 腾讯

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BBC PBS CN CARTOON NETWORK. = SoftBank NAVER

mercari UNIVERSAL A COMCAST COMPANY francetv King Rakuten

網易 NETEASE www.163.com FUJIFILM Snapchat sph Microsoft

Over 900,000 registered members rely on App Annie to better understand the app market, their businesses and the opportunities around them.

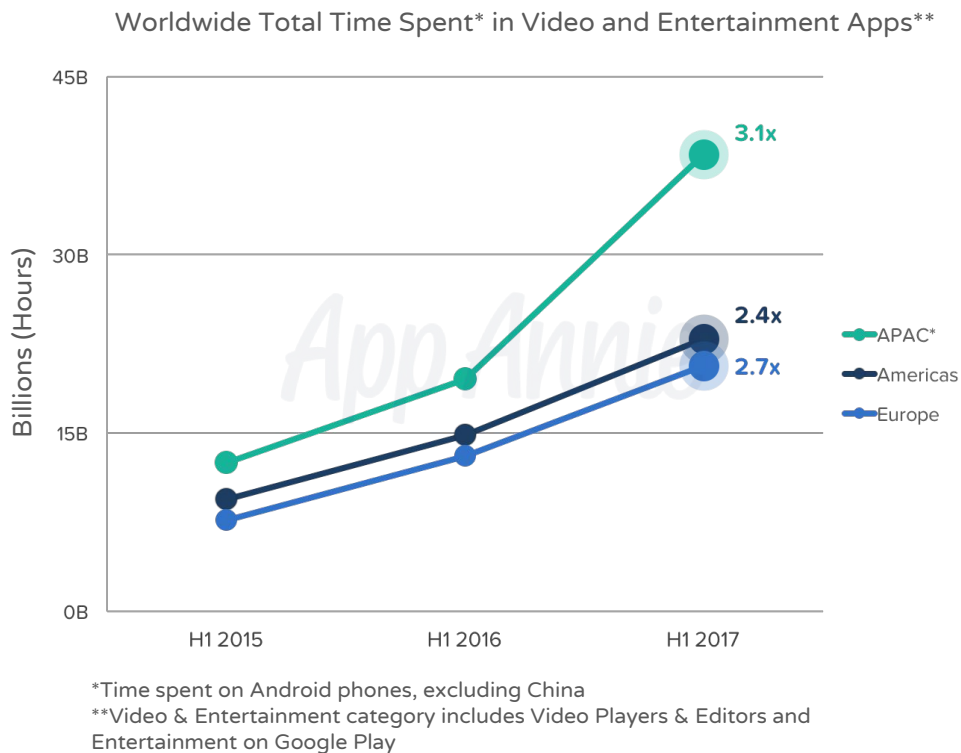
The Dramatic Growth of Video Streaming Apps in APAC

APAC Leads Mobile Video Apps Time Spent Growth

In this report, we present the state of video streaming apps in APAC. Between H1 2015 and H1 2017, time spent in the Video Players & Editors and Entertainment categories (where the majority of video streaming apps can be found) on Android phones in APAC has tripled to reach close to 40 billion hours. This accounts for almost half of the worldwide total.

Emerging markets are leading this charge. In India, time spent in the Video Players & Editors and Entertainment categories grew over 300% within the above period, driven by rapid adoption of smartphones and [increased access to affordable data](#).

We forecast that [total time spent in mobile apps](#) will surpass 3.5 trillion hours in 2021. Video streaming apps will play a pivotal role in driving media consumption on the go.



APAC's Revenue from Entertainment Apps Soared

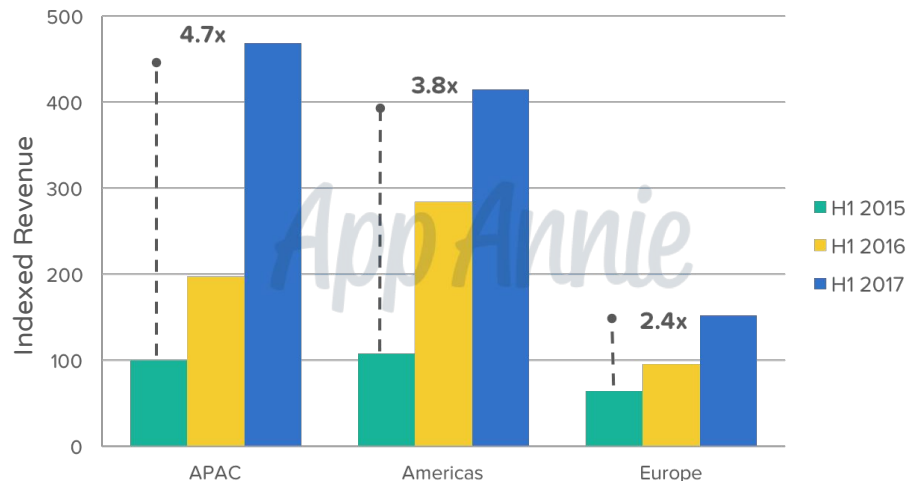
In H1 2017, APAC surpassed the Americas as the highest grossing region for combined iOS App Store and Google Play revenue in Entertainment categories across both stores. Video streaming apps contributed largely to this.

In fact, revenue in APAC from Entertainment category apps across both app stores has more than quadrupled since H1 2015, and innovative monetization methods are key to this growth. For example, in China, many long-form video streaming apps such as [iQIYI](#) feature both subscription and microtransaction models targeted at casual users who prefer pay-per-use spending. Instead of locking out users past a certain trial-period, most content is accessible for free and premium memberships are offered to enhance viewing experience such as ad-free viewing, playback for recorded live TV shows and offline viewing.

In Japan and South Korea, [Showroom](#) and [V-Live Broadcasting](#) offer premium memberships and microtransactions that allow access to livestreams and interactive capabilities with popular celebrities. For instance, gifting raises the profile quality of viewers and increases opportunities for direct interaction with streamers. These method has also been effective in expanding celebrities popularity throughout Asia outside their home markets.

Across the region, the success of video streaming monetization models will be driven by lowering upfront costs and fostering ongoing engagement between content producers and viewers.

Entertainment Categories* Worldwide Revenue



*Revenue of apps in Entertainment category, iOS App Store and Google Play (iOS only for China)

Video Streaming Apps' Continued Momentum in APAC

Consumers in APAC are Spoiled for Choice

Global Heavyweights & New Local Players Race to Gain Market Share

INTERNATIONAL PLATFORMS

Online



TV First



LOCAL PLATFORMS

Online



TV First



*Video Streaming Apps are selected out of Entertainment, Sports and Video Editors & Players on Google Play, Entertainment, Photo & Video and Sports on the iOS App Store. For further information on our methodology, please see www.appannie.com/intelligence | © 2017 App Annie the accompanying [methodology notes](#).

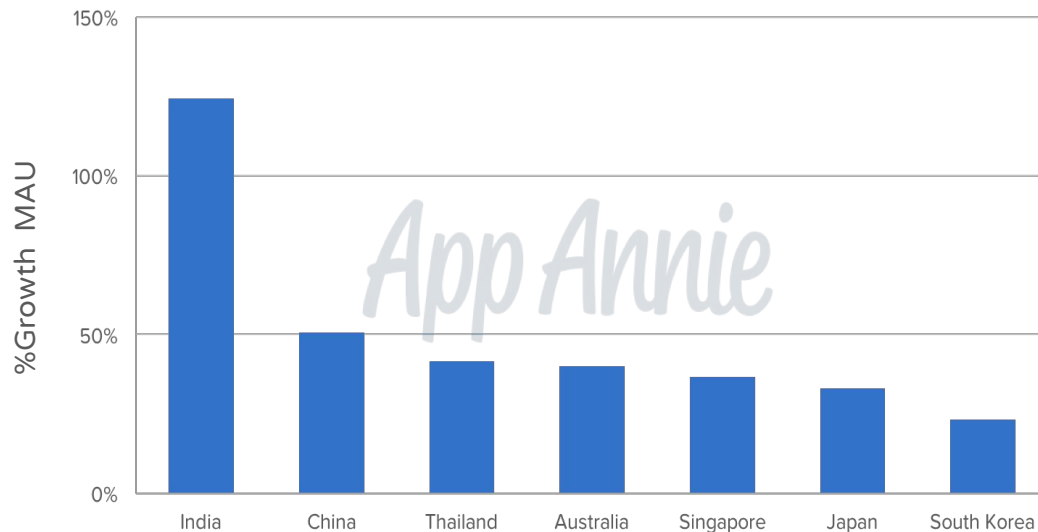
Video Streaming Apps in Emerging Markets Saw Rapid Growth in Users

In H1 2017, India saw the highest two years growth in average monthly active users (MAU) for the top 5 video streaming apps, increasing more than 100%. This was more than twice the rate of other countries analyzed in APAC, and home-grown players are driving this push. For instance, [hotstar](#), a leading app by India broadcaster Star India, saw its MAU grow over 100% year over year in H1 2017. Indian conglomerate [Reliance Industries](#) also rolled out its streaming services [JioTV](#) and [JioCinema](#), with both apps quickly breaking into the top 5 within less than a year.

For other mature markets such as South Korea, Japan and Singapore, average MAU in video streaming apps still saw a steady growth of 20% in H1 2017 compared to two years before, as established players such as [Netflix](#) and [Amazon Video](#) opened up to [more markets](#).

We expect these percentages will continue to climb as users become more accustomed to consuming video on their mobile devices and spend more time in these apps.

Average MAU Growth in Top 5 Video Streaming Apps*
H1 2017 vs H1 2015



*Top Video Streaming Apps by combined iPhone and Android phone MAU (iPhone only for China)

Global Platforms and Local Newcomers Gaining Traction in APAC

Domestic Video streaming platforms dominate top mobile video app charts in China, however for other market in Asia, both local-focused and international platforms are well represented.

In South Korea and Japan, the larger number of terrestrial television channels creates a marketing challenge for traditional networks — audience attention is more widely distributed. Because of this, online streaming specialists, especially those which consolidate the many channels, tend to be the most used apps. For instance, [AbemaTV](#), a joint venture between [TV Asahi Corporation](#) and [Cyberagent](#), saw its average MAU more than double in H1 2017 compared to the year before in Japan, while [oksusu](#) in South Korea saw close to 50% growth in MAU.

Global players have also seen success across APAC. For example *Amazon Video* saw 150% growth in MAU in Japan, while live streaming platform [Twitch](#) grew 400% in South Korea. Now that competition between the major video streaming services is in full swing, usage and revenue has exploded as a result.

Top Video Streaming Apps* by MAU, H1 2017
Combined iPhone and Android phone

Rank	Singapore	Thailand	India	South Korea	Japan	China	Australia
1	YouTube	YouTube	YouTube	YouTube	YouTube	Youku	YouTube
2	Toggle	LINE TV	hotstar	Naver Media Player	AbemaTV	Tencent Video	Netflix
3	Viu	AIS PLAY	JioTV	LTE Video Portal	niconico	iQIYI	AFL Live Official App
4	Netflix	PrimeTime	JioCinema	oksusu	Amazon Video	bilibili	ABC iview
5	Twitch	Thailand TV	Voot	Olleh TV Mobile	TVer	LeTV	Foxtel Go

*Top Video Streaming Apps by combined iPhone and Android phone MAU (iPhone only for China)

Massive Surge in APAC Video Streaming Apps Usage

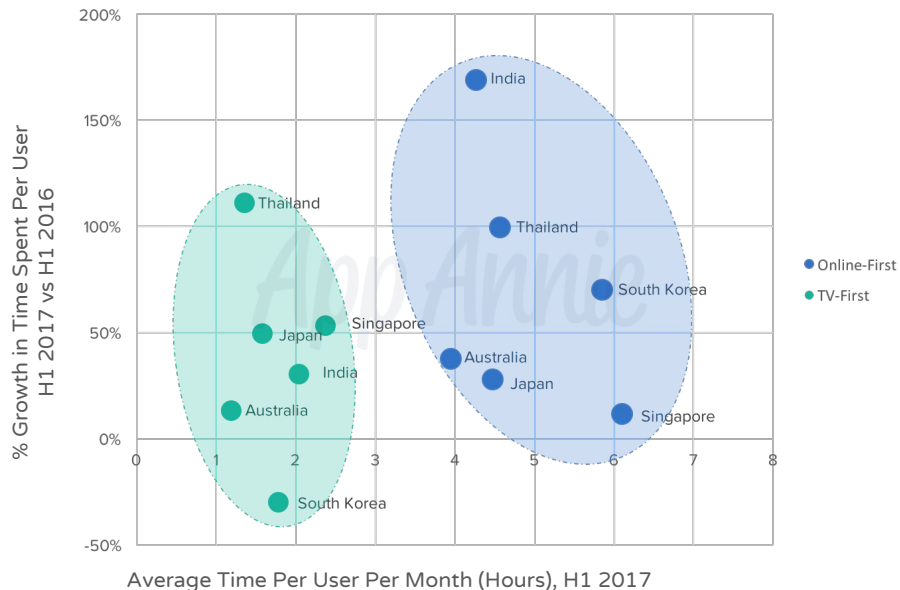
Online-First Video Apps Saw Longer Engagements Per User

Across all APAC markets studied, Online-First video apps exceeded TV-First for monthly time spent per user. Mature markets such as Singapore saw the highest average monthly time per user for both Online-First and TV-First apps in H1 2017. South Korea video streaming users also spent on average 50% more time per month in H1 2017 compared to the year before. However emerging markets such as India led the way in growth, with an impressive 170% year over year increase in monthly time spent in video apps by Online-first platforms.

Looking at the leading Online-First apps in each markets, those that offer both long-form and short-form video content in the likes of [YouTube](#), [NaverTV](#), and [niconico](#) have significantly higher monthly time spent per user, which suggests that smartphones may be more appropriate for the shorter delivering shorter, rapidly digestible content. For other online-first platforms, long-form videos specialist such as [Netflix](#), [Amazon Video](#) and [Viu](#) offering licensed blockbuster movies and television shows remain a key driver of engagement, and audience in APAC are warming up to viewing on the go.

TV-First companies still have huge opportunities to tap on this growth in video consumption , and a number of consolidation apps have already secured top ranks. For example, [TVer](#) in Japan brings together access to a number of channels, directly addressing competition from OTT consolidators, and [Toggle](#) in Singapore offers live broadcast of public TV channels and catch up tv function for popular shows. These are public broadcast services that have effectively leveraged their existing viewer base, and we expect more to follow.

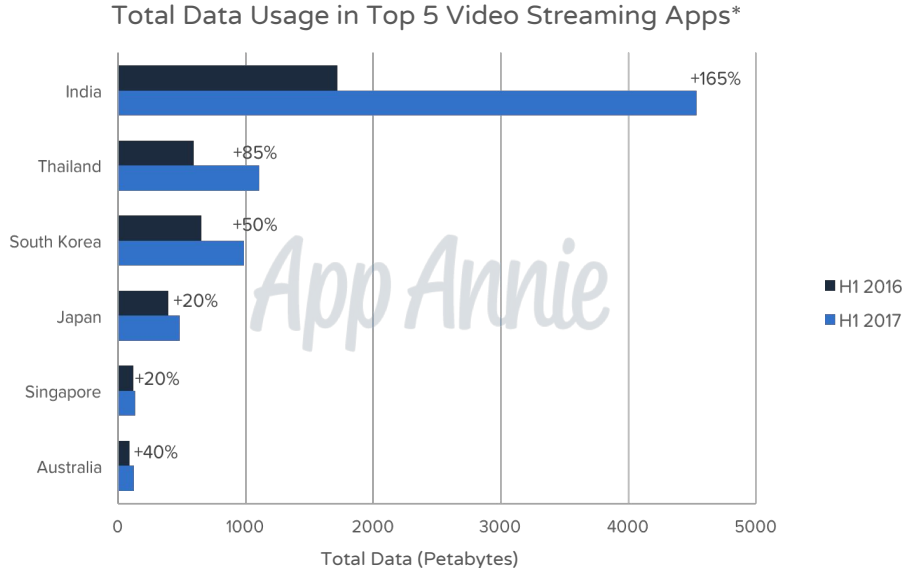
Average Monthly Time in Apps Per User
Top 5 Video Streaming Apps* by Publisher Type



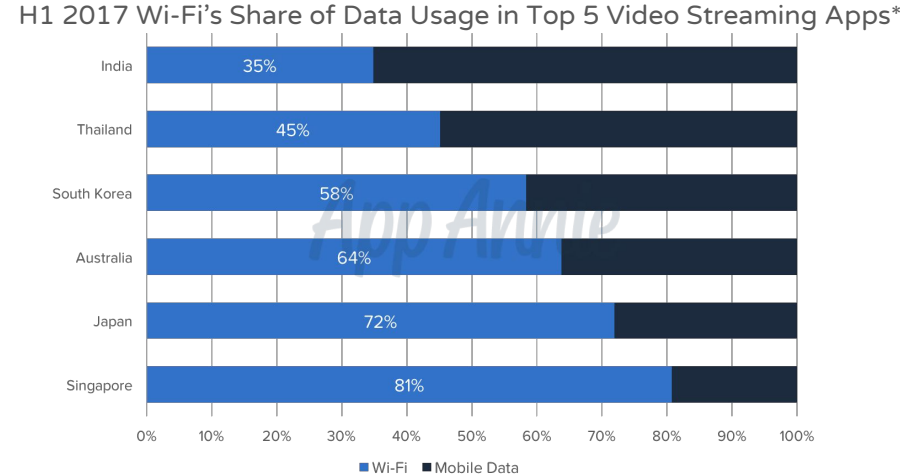
*Top Video Streaming Apps by combined iPhone and Android phone MAU (iPhone Only for China). For further information on our methodology, please see the accompanying [methodology](#) notes.

Users are Streaming More Video Content Than Ever Before

Data Usage Skyrockets in India



All countries analyzed have seen a significant increase in video streaming data usage over the past year, and there are no signs this growth will slow. Recent [Ericsson research](#) suggested video will account for ¾ of all mobile data traffic by 2022 — a 50% compound annual growth rate (CAGR) from 2016. In fact, usage in India has more than doubled, driven by the strong adoption of mobile devices and major improvements to cellular coverage in this market.



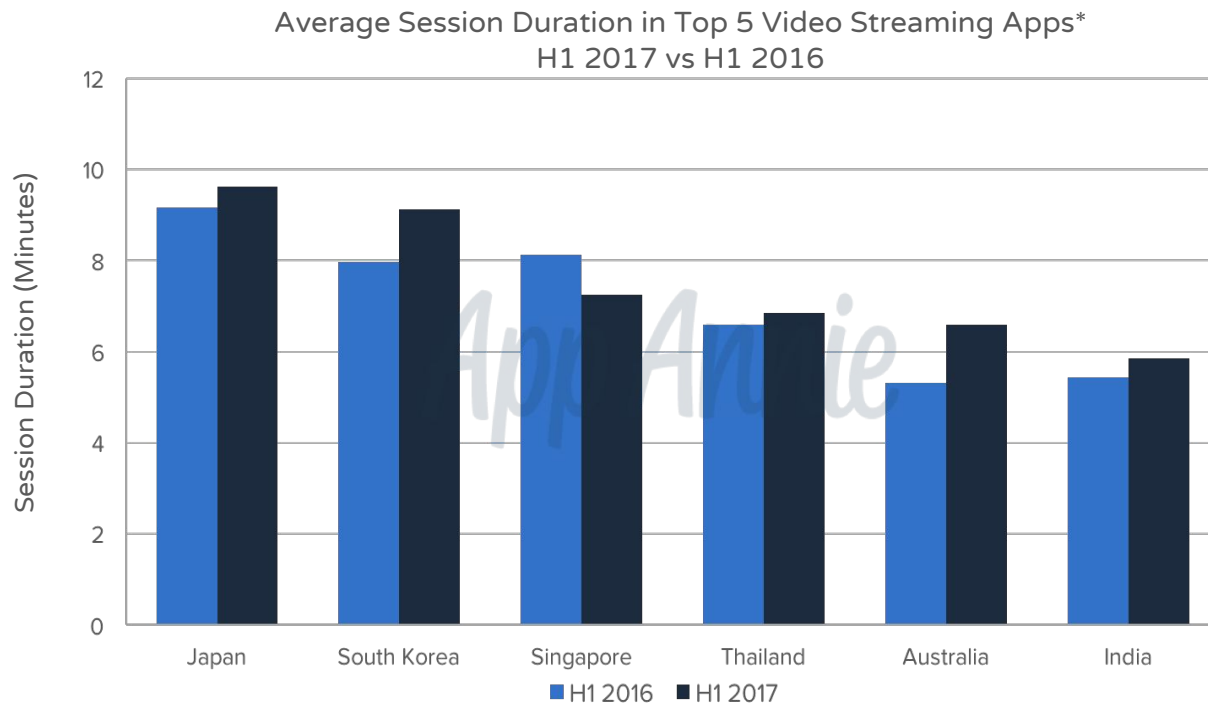
*Top 5 Video Streaming Apps by average MAU, Android phone

Emerging markets such as India and Thailand tend to be the most likely to use mobile data for video streaming, as opposed to Wifi from a fixed broadband connection. As greater device affordability will be the main driver of increased smartphone adoption in these markets, mobile data will be the dominant mode of access for internet services, including video.

Japan Leads Sessions Durations, Thailand and India Catching Up

Users in countries with higher fixed broadband penetration tend to have longer average session duration in top video streaming apps. For example, users in Japan and South Korea consumed around 9 minutes on average per active sessions in the top 5 video streaming apps in H1 2017.

However, even in markets where mobile data usage is more prevalent such as India and Thailand, average session duration was similar to more mature markets such as Australia and Singapore. In these cases, less established fixed broadband infrastructure seems to be having little impact on users' appetite for content.



*Average Session Duration in Top 5 Video Streaming Apps by average MAU, Android phone

Viewers Likely to be Using Multiple Video Streaming Apps

Users of video streaming apps are significantly more likely than average to be accessing other video and related entertainment services.

















Those who use [pooq](#), the top grossing video app in South Korea in H1 2017, also use video streaming apps from its competitors, [watchaplay](#) and [Naver VOD](#), which offer different ranges of content and offerings.

High cross app usage with TV first app [tving](#) suggests that content by traditional broadcasting companies are still sought after.

[pooq](#) users also frequent [Ticketlink](#), a booking app for sports or live performances, which could be leveraged for cross promotions and partnerships.

Understanding your customers' broader app usage allows you to better target your own ads, or even to find appropriate partners.

Pooq and Top Over-Indexed Apps South Korea, Android Phone, July 2017

Users of:	 pooq															
Times more likely than average to use:	<table><tbody><tr><td>12.8x</td><td>7.2x</td><td>5.2x</td><td>4.7x</td><td>4.7x</td></tr><tr><td></td><td></td><td></td><td></td><td></td></tr><tr><td>tving</td><td>watchaplay</td><td>Ticketlink</td><td>FILEJO</td><td>Naver VOD</td></tr></tbody></table>	12.8x	7.2x	5.2x	4.7x	4.7x						tving	watchaplay	Ticketlink	FILEJO	Naver VOD
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Monetization of APAC Top Video Apps Soars

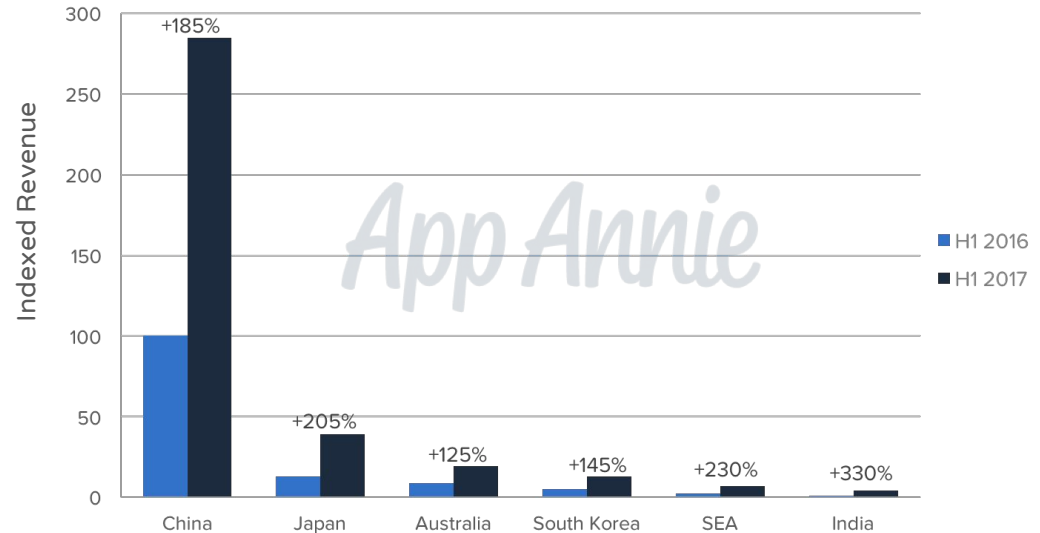
Revenue Surging in Video Streaming Apps Across APAC

Across APAC, video streaming apps have seen stellar revenue growth. China's is especially high, and total revenue from its top 5 video streaming apps in H1 2017 was over 7x greater than Japan's.

Video Streaming apps in China have done particularly well in lowering the monetization barrier through offering free access to most content and offering smaller, more flexible subscription plans targeted at casual users who prefer pay-per-use spending. This growth is further proof of consumers' willingness to use in-app purchases to pay for premium content and subscriptions, perhaps more convenient and accessible than conventional payment methods outside of the app stores (e.g., with a credit card on a streaming service's website).

All other markets in APAC also saw a surge in revenue. In Southeast Asia (SEA) markets, the combined revenue of the top 5 video streaming apps grew by 230% year on year, making it one of the fastest growing markets in the APAC region. While total revenue remains modest relative to more mature markets, this demonstrates the substantial monetization opportunities in SEA and overall video streaming market in APAC.

Revenue in Top 5 Video Streaming Apps
H1 2017 vs H1 2016



*Combined iOS app store and Google Play revenue (China only for iOS)

**SEA includes Malaysia, Indonesia, the Philippines, Singapore, Thailand and Vietnam

Global and Local Players Tap into Streaming Revenue

Long-form videos such as movies and television shows by international platforms such as Netflix and local consolidators both remain a key growth driver in APAC.

In China, [Tencent Video](#) saw its revenue more than quadruple in H1 2017 year on year. The internet giant's recent [investments into a television hardware manufacturer](#) is further proof that increasingly, video streaming companies are finding ways to establish a presence in the living room.

Over-the-top (OTT) consolidation apps providing both free-to-air TV and licensed content such as *pooq* in South Korea have seen success in capturing the younger smartphone user segment. For these apps, most content is accessible for free with premium memberships offering features such as ad-free viewing, playback for recorded live TV shows and offline viewing.

Top Video Streaming Apps by Revenue, H1 2017*
Combined iOS App Store and Google Play

Rank	TV-First		Online First				
	Singapore	Thailand	India	South Korea	Japan	China**	Australia
1	Netflix	Netflix	Netflix	pooq	Showroom	iQIYI	Netflix
2	Viu	V – Live Broadcasting	hotstar	V – Live Broadcasting	Netflix	Tencent Video	AFL Live Official App
3	Toggle	Viu	ALTBalaji	Netflix	niconico	Youku	YouTube
4	V – Live Broadcasting	NBA	Eros Now	Watcha Play	TwitCasting Viewer	iQiyi PPS	Official NRL App
5	NBA	UFC	Wynk Movies	YouTube	U-NEXT	DouyuTV	NBA

* Rankings are based on App Annie data as of Sep 28, 2017. These rankings differ slightly from the original version released on Sep 11, 2017. For further information, please see the accompanying [methodology](#) notes

**iOS App Store only for China

Lessons From APAC Video Streaming Apps

Content Can Assist Video Streaming Apps Discovery on App Stores Conversely, Apps Can Also Help With Content Distribution

INFO
App Details
Timeline

Follow Add To Group
View app franchise Open in iOS Store

MY APP ANALYTICS
Connect
APP STORE RANKINGS
Daily Ranks
Rank History

DOWNLOADS & REVENUE
Downloads & Revenue
USAGE & ENGAGEMENT
Usage
User Retention
Cross-App Usage
Demographics
Reviews
Ratings

USER ACQUISITION
Keywords (ASO)
Featured
Advertising

爱奇艺 Free Entertainment
View app franchise Open in iOS Store

Timeline About this report Export

Updates
Screenshot Updates

Aug 11, 2017 Jump to

SCREENSHOT From: To:

Aug 3, 2017 Jump to

SCREENSHOT From: To:

Jul 16, 2017 Jump to

SCREENSHOT From: To:

In China, apps are increasingly being used as content discovery and distribution platforms. Leading video streaming apps in China such as *iQIYI* regularly update their app screenshots and descriptions with an exhaustive list of recently added shows and content.

INFO
App Details
Timeline

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MY APP ANALYTICS
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Keywords (ASO)
Featured
Advertising

优酷视频-赛时丽人明月心全网独播 Free Entertainment
View app franchise Open in iOS Store

Timeline About this report Export

Updates
Name Updates

Aug 18, 2017 Jump to

NAME From: 优酷视频-春风十里不如你全网独播 To: 优酷视频-赛时丽人明月心全网独播

Aug 15, 2017 Jump to

NAME From: 优酷视频-春风十里不如你、火星情报局3全网独播 To: 优酷视频-春风十里不如你全网独播

Jul 20, 2017 Jump to

NAME From: 优酷视频-军师联盟、火星情报局3全网独播 To: 优酷视频-春风十里不如你、火星情报局3全网独播

Jul 6, 2017 Jump to

NAME From: 优酷视频-军师联盟全网独播 To: 优酷视频-军师联盟、火星情报局3全网独播

Jun 23, 2017 Jump to

NAME From: 优酷视频-军师联盟重磅来袭、楚乔传全网独播 To: 优酷视频-军师联盟全网独播

Content could also be crucial part of your app user acquisition strategy. In China, it is not uncommon to find titles of popular content incorporated into the app name in the app stores. For example in H1 2017, *Youku* had its app name updated 14 times on iOS App Store — twice a month on average. This has usually timed with the new release of content or the beginning of a new season of a popular show.

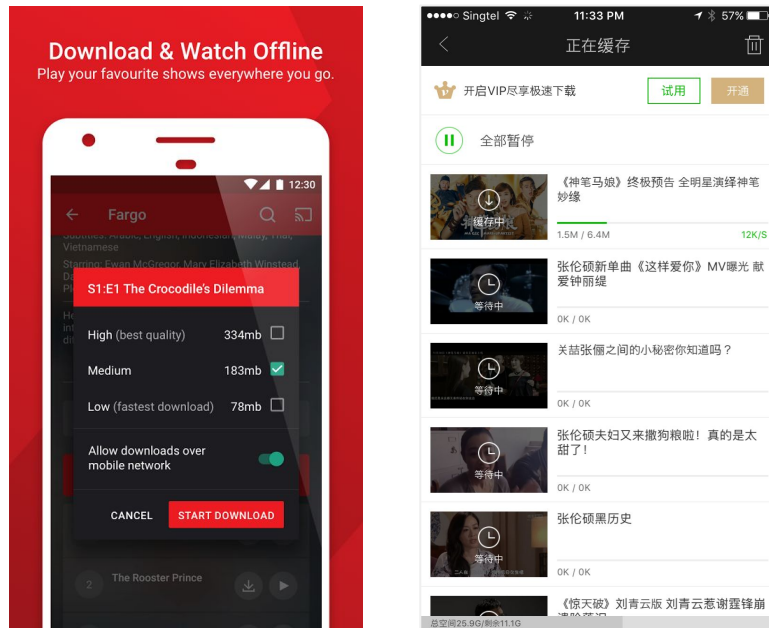
Optimize The Experience for Mobile

Encourage Repeat Use Even for Free Users



Allow free users to sample the full range of content in your platform to develop viewing habits and show what they are missing out on to entice them to upgrade. *Tencent Video* cultivates demand for subscriptions by seamlessly tagging VIP for premium content among other free content. It also offers full episodes of older seasons of TV shows and the first few minutes of movies for non-premium users.

Cater to Users on Mobile Data



In many markets in Asia, video content is still more frequently accessed via mobile data. By offering offline access and multiple video quality options, *iFlix* gives users options so they can adapt to different data connectivity scenarios. Similarly, *iQIYI* provides free users with the option to download content for offline viewing at lower transfer speeds.

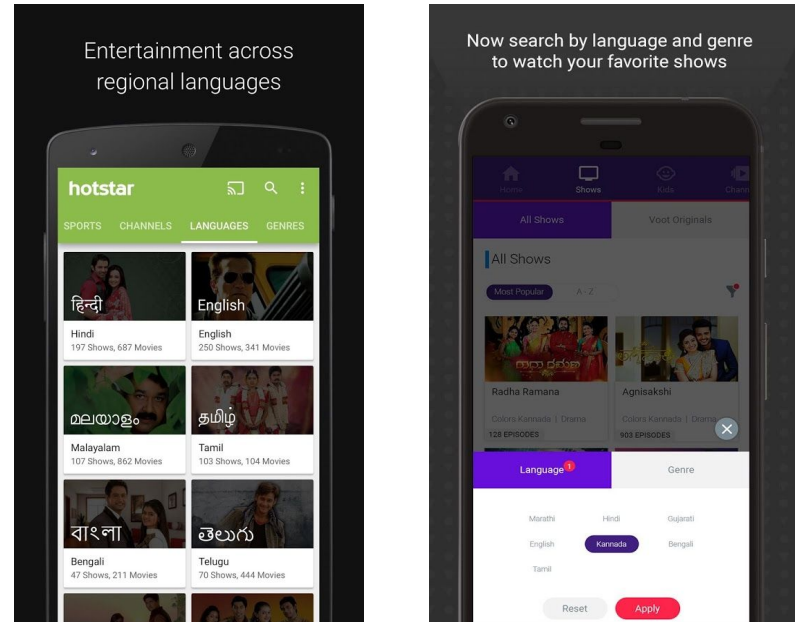
Perfect the User Experience

Boost Engagement with User Alerts and Push Notifications



Push notifications can be used to drive [retention](#) by reminding users when their favorite shows are about to commence. In Japan, [AbemaTV](#) and [TVer](#) offer a scheduler that allows users to easily set reminders for their favorite shows. Users who happen to be home may actually prefer to watch on their television sets, and these notifications can potentially loop viewership back to TV-First channels.

Turn Diversity into Expansion Opportunity



Linguistic diversity in markets like India can pose both a challenge and opportunity to reach out to new users. Successful platforms such as [hotstar](#) and [Voot](#) have succeeded in offering segmented content and subtitles to cater to the diverse audience segments in India.

About App Annie

App Annie delivers the most trusted app market data and insights for your business to succeed in the global app economy. Over 900,000 registered members rely on App Annie to better understand the app market, their businesses and the opportunities around them. The company is headquartered in San Francisco with 450 employees across 15 global offices. App Annie has received \$157 million in financing, including from investors such as Sequoia Capital, Institutional Venture Partners, IDG Capital Partners, e.ventures, Greenspring Associates, and Greycroft Partners.

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